

Attachment A

Water Quality Assessment

Use Classifications

The Indiana Harbor Canal and Indiana Harbor are designated for full-body contact recreation and shall be capable of supporting a well-balanced, warm water aquatic community. The Indiana Harbor is designated as an industrial water supply. The Indiana portion of the open waters of Lake Michigan is designated for full-body contact recreation; shall be capable of supporting a well-balanced, warm water aquatic community; is designated as salmonid waters and shall be capable of supporting a salmonid fishery; is designated as a public water supply; is designated as an industrial water supply; and, is designated as an outstanding state resource water. These waterbodies are identified as waters of the state within the Great Lakes system. As such, they are subject to the water quality standards and associated implementation procedures specific to Great Lakes system dischargers as found in 327 IAC 2-1.5, 327 IAC 5-1.5, and 327 IAC 5-2.

Section 303(d) of the Clean Water Act requires states to identify waters, through their Section 305(b) water quality assessments, that do not or are not expected to meet applicable water quality standards with federal technology based standards alone. States are also required to develop a priority ranking for these waters taking into account the severity of the pollution and the designated uses of the waters. Once this listing and ranking of impaired waters is completed, the states are required to develop Total Maximum Daily Loads (TMDLs) for these waters in order to achieve compliance with the water quality standards. Indiana's 2010 303(d) List of Impaired Waters was developed in accordance with Indiana's Water Quality Assessment and 303(d) Listing Methodology for Waterbody Impairments and Total Maximum Daily Load Development for the 2010 Cycle. As of the 2010 303(d) List of Impaired Waters, the following impairments were listed for waters to which the permittee discharges:

Table 1

Assessment Unit	Waterbody	Impairments	ArcelorMittal Central WWTP Outfall
INC0163_T1001	Indiana Harbor Canal	Impaired Biotic Communities, Oil and Grease, <i>E. coli</i> and PCBs in Fish Tissue	001
INC0163G_G1078	Indiana Harbor	Free Cyanide, Mercury in Fish Tissue and PCBs in Fish Tissue	None
INM00G1000_00	Lake Michigan	Mercury in Fish Tissue and PCBs in Fish Tissue	None

Water Quality Based Effluent Limitations

This outfall was previously included in NPDES Permit No. IN0000205 that was last renewed in 1986 and expired in 1991. Water quality-based effluent limitations (WQBELs) were not applied to Outfall 001 in the 1986 permit, but WQBELs for Cadmium were included in a 1990 permit modification and WQBELs for Total Residual Chlorine were included in a 1991 permit modification. The WQBELs for Cadmium were included in the 1990 permit modification because of a CWA Section 304(l) listing for Cadmium. The permit modification was considered the Individual Control Strategy required by Section 304(l). Indiana did not have water quality criteria for Cadmium that applied to the Indiana Harbor Canal when the permit was being modified so the WQBELs for Cadmium were calculated using U.S. EPA chronic water quality criteria for Cadmium with no allowance for dilution. The monthly average WQBEL was less than the limit of quantitation so the monthly average was set equal to the limit of quantitation. The WQBELs for Total Residual Chlorine were calculated using water quality criteria that became effective in 1990.

The 1992 Grand Calumet River – Indiana Harbor Ship Canal Wasteload Allocation Study was completed after NPDES Permit No. IN0000205 expired in 1991. The 1992 wasteload allocation was based on the 1990 Indiana water quality standards (new water quality criteria and an upgraded use designation for the Grand Calumet River and Indiana Harbor Canal) and a multi-discharger model that included the Indiana Harbor Watershed (Grand Calumet River (East and West Branches), Indiana Harbor Canal and Indiana Harbor) and portions of Lake Michigan around the Indiana Harbor. Pollutants selected for the wasteload allocation were based on water quality concerns at the time. Specific allocations for Cadmium, Total Chromium, Copper, Lead, Nickel, Zinc and Total Cyanide were assigned to ArcelorMittal Outfall 001 as part of the wasteload allocation. The results of the 1992 wasteload allocation were not incorporated in a permit renewal for NPDES Permit No. IN0000205.

New regulations in Indiana governing the development of water quality-based effluent limitations for discharges to waters within the Great Lakes system became effective in 1997. The regulations were developed in accordance with the Water Quality Guidance for the Great Lakes System at 40 CFR Part 132. The regulations included new water quality criteria and methodologies for developing water quality criteria (327 IAC 2-1.5), and procedures for calculating wasteload allocations (WLAs) (327 IAC 5-2-11.4), making reasonable potential to exceed determinations (5-2-11.5) and developing water quality-based effluent limitations (WQBELs) (5-2-11.6). These regulations are applicable to individual pollutants and to whole effluent toxicity. The application of whole effluent toxicity requirements to ArcelorMittal is included in a later section. Due to the new regulations, a different approach was warranted in determining the need for and establishing WQBELs in the Grand Calumet River, Indiana Harbor Canal and Indiana Harbor than was used in the 1992 wasteload allocation.

The 1992 multi-discharger model included a hydrodynamic component and a water quality component and was able to simulate instream dissolved oxygen concentrations. The model also accounted for flow stratification in the Indiana Harbor Canal and Indiana Harbor and the intrusion of lake water into the Indiana Harbor Canal. The model did not restrict any point source discharges based on mixing zones. The development of a hydrodynamic model for the

whole watershed is a resource intensive effort that still requires IDEM to develop wasteload allocations for each outfall to be used as inputs into the model. The 1997 Great Lakes rules added additional requirements for the development of wasteload allocations that were not required in previous modeling efforts. The antidegradation implementation provisions included in the 1997 Great Lakes rules also added an additional level of scrutiny to the incorporation of wasteload allocations developed through the new regulations into NPDES permits.

A review of the 2010 303(d) list shows that there are no pollutants on the list that have the potential to impact wasteload allocation analyses conducted for the renewal of NPDES permits for dischargers on a whole watershed basis. The new listing for Free Cyanide in the Indiana Harbor could potentially impact discharges to the Indiana Harbor Canal and Indiana Harbor. The listing is based on Free Cyanide data collected during the years 2000 and 2001 at IDEM fixed station IHC-0 in the Indiana Harbor. The aquatic life criteria for cyanide were changed from Total Cyanide to Free Cyanide in the 1997 Great Lakes rulemaking. It is IDEM current practice to monitor for Total Cyanide at fixed stations and analyze samples for Free Cyanide only when Total Cyanide data show a reportable concentration ($> 5 \text{ ug/l}$). After 2001, data collected at fixed station IHC-0 no longer showed any reportable values for Total Cyanide so Free Cyanide data were not collected. Based on the 2010 listing methodology, the Total Cyanide data could not be used to assess the Indiana Harbor for Free Cyanide. The Indiana Harbor Canal was not listed for Free Cyanide on the 2010 303(d) list due to the two IDEM fixed stations in the Indiana Harbor Canal (located upstream of fixed station IHC-0 at Columbus Avenue and Dickey Road) not showing impairment for Free Cyanide. Total Cyanide is reported at many of the steel mill outfalls in the Indiana Harbor Canal and Indiana Harbor due to technology-based effluent limits (TBELs) for this parameter, but little data for Free Cyanide are available. Therefore, in the NPDES permit renewals, monitoring for Free Cyanide will be required at steel mill outfalls that have process wastewater for use in an assessment of reasonable potential. These data can also be used along with Total Cyanide data at fixed station IHC-0 and data collected in the Indiana Harbor Canal to reassess the impairment for Free Cyanide.

Therefore, a whole watershed model is not required at this time to develop permit requirements to address any TMDL related issues. There is currently not a need to develop WLAs for pollutants that impact the instream dissolved oxygen so a whole watershed hydrodynamic model is not needed for this purpose. There are several items that have occurred in the Indiana Harbor watershed since the 1992 model was developed that can be used to help establish a reasonable approach, other than a whole watershed model, to develop WLAs for discharges in the watershed. The number of dischargers to the Indiana Harbor watershed has decreased, the number of steel mill outfalls has decreased and the discharge volume at many of the remaining steel mill outfalls has decreased. U.S. Steel Gary Works dredged the five mile stretch of the East Branch Grand Calumet River along their property in 2003. Dredging of portions of the West Branch Grand Calumet River west of Indianapolis Boulevard began in December 2009. Data for a variety of parameters have been collected on a monthly basis by IDEM at several fixed water quality monitoring stations in the watershed. Three stations are located on the East Branch Grand Calumet River, one on the West Branch Grand Calumet River, two on the Indiana Harbor Canal, one on Lake George Canal and one on the Indiana Harbor. The U.S. Geological Survey (USGS) installed a stream gage in the Indiana Harbor Canal in 1991 that can be used to determine the Q7,10 and other stream flow statistics of the Indiana Harbor Canal. An intensive

instream sampling effort along with effluent sampling of major dischargers occurred in July 1999 and April 2000 as part of the Grand Calumet River TMDL Study.

Taking into consideration the above information, it was decided to divide the Indiana Harbor watershed into three subwatersheds and determine the need for and establish water quality-based effluent limitations on a subwatershed basis. In this approach, the background concentration for each subwatershed is determined using instream water quality data instead of concentrations determined through whole watershed modeling. During the development of the wasteload allocation for the U.S. Steel Gary Works (IN0000281) NPDES permit that was renewed January 22, 2010, the Indiana Harbor watershed was divided into the following three subwatersheds: East Branch Grand Calumet River, West Branch Grand Calumet River (the portion that flows east into the Indiana Harbor Canal) and the Indiana Harbor Canal/Lake George Canal/Indiana Harbor. The analysis for the East Branch Grand Calumet River is included in the Fact Sheet of the U.S. Steel Gary Works 2010 permit. The analysis for the West Branch Grand Calumet River will be conducted as part of the NPDES permit renewals for the Hammond Sanitary District (IN0023060) and the East Chicago Sanitary District (IN0022829).

The subwatershed model for the Indiana Harbor Canal/Lake George Canal/Indiana Harbor included the ArcelorMittal Indiana Harbor – Central WWTP which has one active outfall to the Indiana Harbor Canal. The other major dischargers included in the subwatershed model are as follows in relation to the ArcelorMittal Indiana Harbor – Central WWTP outfall: ArcelorMittal USA – Indiana Harbor Long Carbon (IN0063355) which has one active outfall downstream to the Indiana Harbor Canal; ArcelorMittal USA – Indiana Harbor East (IN0000094) which has one active outfall downstream to the Indiana Harbor Canal and three active outfalls downstream to the Indiana Harbor; and, ArcelorMittal Indiana Harbor – Indiana Harbor West (IN0000205) which has three active outfalls downstream to the Indiana Harbor Canal, one active outfall downstream to the Indiana Harbor and one water intake in the Indiana Harbor near the mouth of the Indiana Harbor Canal. The discharges from all these facilities were taken into consideration in determining the need for and establishing WQBELs for the discharge from ArcelorMittal Indiana Harbor – Central WWTP Outfall 001.

The procedures under 5-2-11.4 may be used to establish TMDLs, wasteload allocations in the absence of TMDLs and preliminary wasteload allocations. These procedures apply to the discharges to the Indiana Harbor Canal/Lake George Canal/Indiana Harbor. A TMDL has not been completed for the Assessment Units for the Indiana Harbor Canal and Indiana Harbor receiving the discharges from ArcelorMittal and a TMDL is not required for any of the pollutants of concern being considered in the wasteload allocation analysis. Therefore, the procedures under 5-2-11.4 were used to develop preliminary wasteload allocations and wasteload allocations in the absence of a TMDL.

Wasteload allocations in the absence of TMDLs are developed to establish water quality-based effluent limitations under 5-2-11.6 and preliminary wasteload allocations are developed to make reasonable potential determinations under 5-2-11.5. The reasonable potential procedures under 5-2-11.5 include provisions for making reasonable potential determinations using best professional judgment (5-2-11.5(a)) and using a statistical procedure (5-2-11.5(b)). The statistical procedure is a screening process in which a projected effluent quality (PEQ) based on

effluent data is calculated and compared to a preliminary effluent limitation (PEL) based on the preliminary wasteload allocation. Both the best professional judgment and statistical procedures were used to establish the need for water quality-based effluent limitations to protect the designated uses of the Indiana Harbor Canal, Indiana Harbor and Lake Michigan.

To develop wasteload allocations and conduct reasonable potential to exceed analyses, IDEM utilized the following effluent data collected and submitted by ArcelorMittal: data collected during the period July 2005 through June 2010 in accordance with the current permit and reported on monthly monitoring reports (MMRs); data collected in 1999 and 2000 as part of the Grand Calumet River TMDL study; and, data collected for the 2005 and 2009 permit renewal application updates.

To develop wasteload allocations, IDEM utilized the following sources of water quality data for the Indiana Harbor Canal and Indiana Harbor: IDEM fixed water quality monitoring station IHC-3S at Columbus Drive (Indiana Harbor Canal upstream of Lake George Canal and all ArcelorMittal outfalls); IDEM fixed station IHC-2 at Dickey Road (Indiana Harbor Canal); IDEM fixed station IHC-0 near the mouth of the Indiana Harbor; data collected in the Indiana Harbor Canal and Indiana Harbor in 1999 and 2000 as part of the Grand Calumet River TMDL study; data collected by ArcelorMittal USA – Indiana Harbor East at two locations in the Indiana Harbor Canal and one location in the Indiana Harbor during a six week monitoring period in 1996; and, Mercury data collected by the U.S. Geological Survey (USGS) in 2001 and 2002.

After a review of effluent and instream data for the Indiana Harbor Canal/Lake George Canal/Indiana Harbor subwatershed, it was decided to conduct a multi-discharger WLA for Ammonia-N, Chloride, Fluoride, Sulfate, Lead, Zinc and Total Residual Chlorine. Indiana currently only has a Great Lakes water quality criterion for Sulfate that applies to public water supply intakes and to Lake Michigan. A screening value based on the Indiana criterion for waters outside the Great Lakes system at 2-1-6(a)(5) was used for the Indiana Harbor Canal and Indiana Harbor. An industrial water supply criterion for Total Dissolved Solids of 750 mg/l applies in the Indiana Harbor at the ArcelorMittal Indiana Harbor – Indiana Harbor West intake. This also limits the amount of Sulfate that can be discharged due its contribution to dissolved solids. Other pollutants of concern, including Mercury, were considered on an outfall by outfall basis for the dischargers in the subwatershed.

In the 1992 model, the Indiana Harbor Canal was divided into sixteen complete mix segments, the Lake George Canal into five complete mix segments and the Indiana Harbor into five complete mix segments. Each of these segments included surface and bottom layers to account for stratification resulting from the warmer canal water inducing an underflow of cooler lake water. The intrusion of lake water was accounted for in the model by adding a portion of the total lake intrusion flow to the surface layer of each of nine affected segments in the Indiana Harbor and Indiana Harbor Canal. A total lake intrusion flow of 1000 cfs was used in the 1992 model. The lake intrusion flow was reevaluated in 2002 by the U.S. Army Corps of Engineers (USACE) as part of the Grand Calumet River TMDL Study. The USACE determined that the lake intrusion flow used in the 1992 model was based on measurements collected during a high lake level. The USGS measured a lake intrusion flow of 138 cfs in October 2002 during a normal lake level condition. The lake intrusion flow measured during the normal lake level

condition was determined to be more appropriate for modeling purposes. A new multi-discharger model was developed using a spreadsheet to conduct the multi-discharger WLA for the Indiana Harbor Canal/Lake George Canal/Indiana Harbor. The segmentation used in the 1992 model was maintained in the new spreadsheet model, but only the surface layer was modeled since it will have the higher pollutant concentrations.

In the development of wasteload allocation inputs for the 1992 model, the final acute value (FAV) was applied to individual outfalls and chronic criteria were applied to the end of each segment allowing up to one hundred percent (100%) of the stream flow for mixing. The procedures in 5-2-11.4 require the more stringent of the FAV or the acute WLA calculated using up to a one-to-one dilution to be applied to individual outfalls. They also limit the dilution available for each outfall (the mixing zone) to twenty-five percent (25%) of the stream design flow. Because of the potential for overlapping mixing zones within a segment, the combined discharges in a segment were also limited collectively to twenty-five percent (25%) of the stream design flow. This was done in accordance with 5-2-11.4(b)(3)(D) which requires the combined effect of overlapping mixing zones to be evaluated to ensure that applicable criteria and values are met in the area where the mixing zones overlap.

Based on the reasonable potential statistical procedure at 5-2-11.5(b)(1)(iii) and (iv), the procedures under 5-2-11.4(c) are used as the basis for determining preliminary WLAs and the preliminary WLAs are then used to develop monthly and daily PELs in accordance with the procedure for converting WLAs into WQBELs under 5-2-11.6. Three critical inputs to the procedure under 5-2-11.4(c) include the background concentration, the effluent flow and the stream flow. The background concentration is determined under 5-2-11.4(a)(8). Under this rule, background concentrations can be determined using actual instream data or instream concentrations estimated using actual or projected pollutant loading data. In the multi-discharger WLA, instream data were used to establish the background concentration for the first segment of the model and then either actual or projected pollutant loading data were used. For pollutants not included in the multi-discharger WLA, instream data were used.

In the 1992 model, the flow assigned to each outfall was the long-term average flow. This was continued in the current analysis using data from January 2006 through December 2007. The stream design flow used to develop wasteload allocations is determined under 5-2-11.4(b)(3). For the pollutants considered in this analysis, the aquatic life criteria are limiting and the stream design flow for chronic aquatic life criteria is the Q7,10. The flow entering the Indiana Harbor Canal consists mostly of treated effluent flow. It has been historical practice to carry the long-term average discharge flow through the watershed to be used to determine discharge requirements for downstream dischargers. Since three distinct subwatersheds are now being modeled and the background concentration is being reset using actual instream data, it was also necessary to reset the stream flow. Since the Q7,10 is the appropriate flow for the water quality criteria being considered, the Q7,10 was used as the upstream flow for the Indiana Harbor Canal/Lake George Canal/Indiana Harbor WLA. Therefore, the stream design flow was set equal to the Q7,10 flow in the first segment of the multi-discharger model and then the long-term average flow of each discharger was added to become the stream design flow for downstream dischargers. The lake intrusion flow was added to the stream design flow at the end of each applicable segment. The Q7,10 was calculated using data from USGS gaging station 04092750

which is located in the Indiana Harbor Canal at Canal Street. The data used in the calculation consisted of continuous daily mean flow data approved by the USGS for the period 10-1-1994 through 9-30-2009. The Q_{7,10} based on the climatic year (April 1 through March 31) is 352 cfs.

At each applicable outfall, PELs were calculated for each pollutant of concern using an outfall specific spreadsheet that calculates PELs using the procedures under 5-2-11.4(c) to calculate WLAs and the procedures under 5-2-11.6 to convert WLAs into PELs. The spreadsheet considers all water quality criteria (acute and chronic aquatic life, human health and wildlife) and associated stream design flows and mixing zones. The stream design flow for each water quality criterion was set equal to the same value in the outfall specific spreadsheet. This value was the Q_{7,10} flow plus the accumulation of long term average effluent flow and any lake intrusion flow, minus any intake flow. For Mercury, which is a bioaccumulative chemical of concern (BCC), a mixing zone was not allowed in the development of PELs for any outfall in accordance with 5-2-11.4(b)(1). For those pollutants included in a multi-discharger WLA, the multi-discharger model was used to ensure that the most stringent water quality criterion is met at the edge of the mixing zone for each segment. This was the 4-day average chronic criterion. The multi-discharger model was also used to ensure that Lake Michigan criteria are met at the end of the last segment in the Indiana Harbor. The preliminary WLA was included as an input in the multi-discharger model and PELs were calculated from the preliminary WLA.

In the multi-discharger model, preliminary WLAs for each outfall were established, if possible, so that the monthly and daily PEQs did not exceed the PELs calculated from the preliminary WLAs. If TBELs were included for the parameter at a final outfall or an internal outfall, then the preliminary WLA was increased to the extent possible to allow the mass-based PELs to exceed the TBELs. The preliminary WLAs were adjusted as necessary so that the calculated PELs did not exceed the PELs calculated using the outfall specific spreadsheets and so that the water quality criterion was not exceeded at the edge of the mixing zone for each segment as determined using the multi-discharger model. For some outfalls, the discharge of one or more pollutants for which a multi-discharger WLA was conducted was not considered significant, so a preliminary WLA was established based on the reported effluent concentration, or if sufficient data were available, reported effluent loading data, but PELs were not calculated as allowed under 5-2-11.5(b)(1).

After assigning a preliminary WLA to each outfall in a segment and entering the WLA into the multi-discharger model, the model calculates the PELs for each outfall, the concentration at the edge of the mixing zone for the segment and the concentration at the end of each segment after complete mixing. The concentration after complete mixing then becomes the background concentration for the next segment. To calculate PELs using the outfall specific spreadsheets, the background concentration for each outfall was calculated assuming complete mixing between outfalls. This was done by entering the WLAs for each outfall into a separate spreadsheet that calculated the background concentration upstream of each outfall. By conducting a multi-discharger WLA in this manner, the background concentration for each outfall was based on the accumulated WLAs for the prior outfalls. Since the WLAs were based in some cases on projected effluent quality, the background concentrations were based on projected loading data. This provided a conservative means of determining the cumulative impact of the outfalls. For

those pollutants not included in a multi-discharger WLA, the background concentration for each outfall was based on instream data.

The results of the reasonable potential statistical procedure are included in Table 2. The results show that the discharge from ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 has a reasonable potential to exceed a water quality criterion for Mercury.

In addition to establishing QBELs based on the reasonable potential statistical procedure, IDEM is also required to establish QBELs under 5-2-11.5(a) “If the commissioner determines that a pollutant or pollutant parameter (either conventional, nonconventional, a toxic substance, or whole effluent toxicity (WET)) is or may be discharged into the Great Lakes system at a level that will cause, have the reasonable potential to cause, or contribute to an excursion above any applicable narrative criterion or numeric water quality criterion or value under 327 IAC 2-1.5.” Chlorine is added to the intake water for zebra and quagga mussel control at concentrations exceeding water quality criteria. Outfall 001 receives noncontact cooling water. Therefore, chlorine may be discharged from Outfall 001 at a level that will cause an excursion above the numeric water quality criterion for Total Residual Chlorine under 2-1.5 and QBELs for Total Residual Chlorine are required at Outfall 001.

For each pollutant receiving TBELs at a final or internal outfall, and for which water quality criteria or values exist or can be developed, concentration and corresponding mass-based QBELs were calculated at the final outfall. The QBELs were set equal to the applicable PELs from the multi-discharger model or the outfall specific spreadsheet. This was done for ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 (Cadmium, Total Chromium, Copper, Lead, Nickel, Silver, Zinc, Naphthalene and Tetrachloroethylene at Internal Outfall 101). The facility does not discharge wastewater from the chromate rinse step of their galvanizing operations so TBELs and subsequent QBELs were not calculated for Hexavalent Chromium. The mass-based QBELs at the final outfall were compared to the mass-based TBELs. Since the facility is authorized to discharge up to the mass-based TBELs, if the mass-based TBELs exceed the mass-based QBELs at the final outfall, the pollutant may be discharged at a level that will cause an excursion above a numeric water quality criterion or value under 2-1.5 and QBELs are required for the pollutant at the final outfall. This was the case for Cadmium, Copper, Lead, Silver and Zinc.

Once a determination is made using the reasonable potential provisions under 5-2-11.5 that QBELs must be included in the permit, the QBELs are calculated in accordance with 5-2-11.5(d). Under this provision, in the absence of an EPA-approved TMDL, WLAs are calculated for the protection of acute and chronic aquatic life, wildlife, and human health in accordance with the WLA provisions under 5-2-11.4. The WLAs are then converted into QBELs in accordance with the QBEL provisions under 5-2-11.6. The QBELs are included in Table 4 and were set equal to the PELs calculated for each pollutant.

A wasteload allocation was not conducted for Free Cyanide due to the absence of effluent data for this pollutant of concern. Under 5-2-11.5(b)(2), when effluent data for a pollutant of concern are not available for an existing discharger, the commissioner shall exercise best professional judgment, taking into account the source and nature of the discharge, existing controls on point

and nonpoint sources of pollution, and, where appropriate, the dilution of the effluent in the receiving water to determine whether it is necessary to require the discharger to collect the data required to make a reasonable potential determination. Based on the presence of Free Cyanide on the 2010 303(d) list for the Indiana Harbor, monitoring for Free Cyanide is being included at all ArcelorMittal outfalls containing process wastewater. Under 5-2-11.5(e), the commissioner may require monitoring for a pollutant of concern even if it is determined that a WQBEL is not required based on a reasonable potential determination. Monitoring was added for fluoride based on its inclusion in the multi-discharger wasteload allocation.

Whole Effluent Toxicity Requirements

The 1997 Indiana Great Lakes regulations included narrative criteria with numeric interpretations for acute (2-1.5-8(b)(1)(E)(ii)) and chronic (2-1.5-8(b)(2)(A)(iv)) whole effluent toxicity (WET) and a procedure for conducting reasonable potential for WET (5-2-11.5(c)(1)). U.S. EPA did not approve the reasonable potential procedure for WET so Indiana is now required under 40 CFR Part 132.6(c) to use the reasonable potential procedure in Paragraphs C.1 and D of Procedure 6 in Appendix F of 40 CFR Part 132. IDEM used this procedure in conducting the reasonable potential analysis for WET except that the equation was rearranged so that it is similar to the equation that IDEM uses for other pollutants and pollutant parameters.

The 1990 permit modification (IN0000205) required ArcelorMittal to conduct chronic whole effluent toxicity (WET) testing using *Ceriodaphnia dubia* and Fathead Minnow monthly for a period of three months at Outfall 001. If toxicity, defined in the permit as 1.0 TUC (i.e. an NOEC of less than 100% effluent), was not demonstrated, no further WET testing was required. The value of 1.0 TUC used to define toxicity was based on meeting chronic WET requirements in the undiluted discharge. The facility did demonstrate toxicity to *Ceriodaphnia dubia* in two WET tests and was required to conduct a toxicity reduction evaluation (TRE). The facility completed the TRE process in 1992 after submission of a TRE plan that was approved by IDEM. After reducing the toxicity, the facility was required to conduct monthly WET testing for three months using the sensitive species *Ceriodaphnia dubia*, and provided no toxicity was shown, once every six months for the duration of the permit. The representative WET data for the WET reasonable potential analysis therefore begin in May 1992.

The results of the reasonable potential analysis are shown in Table 3. The results show that the discharge from Outfall 001 does not have a reasonable potential to exceed the numeric interpretation of the narrative criterion for acute or chronic WET.

The permittee will be required to conduct WET testing of its effluent discharge from Outfall 001 using *Ceriodaphnia dubia* and Fathead Minnow. The terms and conditions of the WET testing are contained in Part I.I. of the NPDES permit. Part I.I.1.c.(2) of the permit states that chemical analysis must accompany each effluent sample taken for bioassay test. The analysis detailed under Part I.A.1 and Part I.A.2 should be conducted for each effluent sample. The effluent should be sampled using the sample type requirements specified in Part I.A.1. and Part I.A.2. Questions regarding the WET testing procedures should be addressed to the Office of Water Quality, NPDES Permits Branch.

As in the previous permit, acute and chronic toxicity testing is required at Outfall 001. Acute toxicity is to be derived from chronic toxicity tests and toxicity is to be reported in terms of acute and chronic toxic units and compared to calculated toxicity reduction evaluation (TRE) triggers. The TRE triggers are set equal to the acute and chronic WLAs for WET in accordance with 327 IAC 5-2-11.6(d). If either an acute or chronic TRE trigger is exceeded, another chronic WET test must be conducted within two weeks. If the results of any two consecutive tests exceed the applicable TRE trigger, ArcelorMittal must conduct a TRE. After the completion of three toxicity tests that do not exceed the acute and chronic TRE triggers, ArcelorMittal may reduce the number of species tested to only include the most sensitive to the toxicity in the effluent. The TRE triggers are shown in Table 4.

Thermal Requirements

The Indiana Harbor Canal and Indiana Harbor shall be capable of supporting a well-balanced, warm water aquatic community. The water quality criteria for temperature applicable to these waterbodies are included in 327 IAC 2-1.5-8(c). Temperature was not a pollutant of initial focus in the Water Quality Guidance for the Great Lakes system under 40 CFR Part 132. Therefore, Indiana was allowed to apply its own temperature criteria to waters within the Great Lakes system when the rules were last revised in 1997 as part of the Great Lakes rulemaking. During this rulemaking, the monthly maximum temperature criteria that were updated in 1990 were retained. Indiana regulations state that the temperature criteria apply outside a mixing zone, but the allowable mixing zone is not established in the rules. IDEM current practice is to allow fifty percent (50%) of the stream flow for mixing to meet temperature criteria.

The implementation procedures under 327 IAC 5-2-11.4 for developing wasteload allocations for point source discharges address temperature under 5-2-11.4(d)(3). This provision states that temperature shall be addressed using a model, approved by the commissioner, that ensures compliance with the water quality criteria for temperature. There is also no specific procedure in the rules for determining whether a discharger is required to have water quality-based effluent limits (WQBELs) for temperature. Therefore, the general provision for making reasonable potential determinations in 5-2-11.5(a) is applicable. This provision establishes that if the commissioner determines that a pollutant or pollutant parameter is or may be discharged into the Great Lakes system at a level that will cause, have the reasonable potential to cause, or contribute to an excursion above any applicable narrative or numeric water quality criterion under 2-1.5, the commissioner shall incorporate WQBELs in an NPDES permit that will ensure compliance with the criterion. In making this determination, the commissioner shall exercise best professional judgment, taking into account the source and nature of the discharge, existing controls on point and nonpoint sources of pollution, the variability of the pollutant or pollutant parameter in the effluent, and, where appropriate, the dilution of the effluent in the receiving water. The commissioner shall use any valid, relevant, representative information pertaining to the discharge of the pollutant.

The multi-discharger model for the Indiana Harbor Canal/Lake George Canal/Indiana Harbor subwatershed discussed above included five active outfalls discharging to the Indiana Harbor

Canal and four active outfalls discharging to the Indiana Harbor that contain a thermal component such as noncontact cooling water or boiler blowdown as a source of wastewater. ArcelorMittal Indiana Harbor – Central Wastewater Treatment Plant Outfall 001 has a flow of 6.5 mgd with Internal Outfall 101 having a flow of 5.0 mgd and the remaining consisting mostly of noncontact cooling water. The 1986 permit (IN0000205) does not include a requirement for the monitoring of effluent temperature. The permit does include a requirement that sets the allowable net plant thermal discharge for Outfalls 001, 002, 009, 010 and 011 at 2.24×10^9 BTU/Hr. Based on the Post Public Notice Addendum included in the Fact Sheet of the 1986 permit, temperature monitoring was removed from the permit because the production at that time did not approach the limitation for thermal output. The main source of cooling water for ArcelorMittal Indiana Harbor – Central WWTP is the No. 1 Intake of the ArcelorMittal Indiana Harbor West (IN0000205) facility on the Indiana Harbor. Since the facility is not required to report effluent temperature, limited data are available. Effluent temperature data were collected in July 1999 and April 2000 as part of the Grand Calumet River TMDL study. Effluent temperature data are also available from the 2009 permit renewal application update. The maximum reported temperature was 80 °F in both the July 1999 sampling and the 2009 permit renewal application update.

The multi-discharger model accounted for the intrusion of lake water into the Indiana Harbor and Indiana Harbor Canal. The intrusion of lake water produces thermal stratification that ends at the railroad bridge about 0.7 miles upstream of the mouth of the Indiana Harbor Canal. The ArcelorMittal Indiana Harbor Long Carbon (IN0063355) Outfall 001 on the east side of the canal and ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 and ArcelorMittal West Outfall 002 on the west side of the canal are upstream of the railroad bridge. ArcelorMittal West Outfalls 009 and 010, which are two large sources of non-contact cooling water, are the first two discharges downstream of the railroad bridge. As part of a special condition in the ArcelorMittal Indiana Harbor East (IN0000094) 1996 permit, the facility was required to conduct sampling in the Indiana Harbor Canal downstream of ArcelorMittal Indiana Harbor Long Carbon Outfall 001 and between ArcelorMittal East Outfalls 008 and 011 and in the Indiana Harbor at a point equal distant from ArcelorMittal East Outfalls 011, 014 and 018. Sampling was to be conducted from April through November for two years and at three river depths (one foot below the surface, mid-depth and one foot above the bottom). The facility conducted the sampling in 1997 and 1998 and submitted a summary of the results of this sampling along with an analysis of the thermal impact of the ArcelorMittal discharges to the Indiana Harbor Canal and Indiana Harbor based on the sampling results in a November 19, 2010 report. The report concluded the following: ArcelorMittal East (IN0000094) and ArcelorMittal West (IN0000205) were both operating at reasonably high production rates in 1997 and 1998 as measured by raw steel production; ambient air temperatures were within normal ranges; there have been no significant changes in the flow regimes in the Indiana Harbor Canal since the study was done; and, the study results demonstrate compliance with applicable temperature criteria.

Additional temperature monitoring at multiple depths was conducted in the Indiana Harbor Canal and Indiana Harbor as part of the July 1999 and April 2000 sampling conducted for the Grand Calumet River TMDL study. The sampling included two locations in the Indiana Harbor (just beyond the lighthouse at the outer edge of the Indiana Harbor and in the middle of the Indiana Harbor, just downstream of ArcelorMittal West Outfall 011, the last outfall on the Indiana

Harbor), two locations in the Indiana Harbor Canal downstream of the railroad bridge (about 0.6 miles downstream of ArcelorMittal West Outfalls 009 and 010 at the mouth of the Indiana Harbor Canal and about 0.3 miles downstream of ArcelorMittal West Outfalls 009 and 010), one location just downstream from Dickey Road and downstream of the three thermal discharges upstream of the railroad bridge and one location just upstream of ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 which is the ArcelorMittal thermal discharge that is furthest upstream of the railroad bridge. The data showed temperature stratification downstream of the railroad bridge and a decreasing trend in temperature from upstream to downstream. The Indiana Harbor Canal and Indiana Harbor were in compliance with the water quality criteria for temperature. Effluent temperature and flow data were collected during the July 1999 sampling and effluent temperature data were collected during the April 2000 sampling. The TMDL studies were done after the shutdown of the No. 4 AC power station that discharged through ArcelorMittal East Outfall 018 until about May 1999. A review of historical instream temperature data at IDEM fixed stations on the Indiana Harbor Canal and Indiana Harbor from January 1990 through December 2010 and the fixed station on Lake Michigan from January 1997 through December 2010 shows that the maximum temperature values were recorded in July 1999. The average stream flow during the July 1999 temperature monitoring as recorded at USGS gaging station 04092750 in the Indiana Harbor Canal at Canal Street was 485 cfs which is close to the Q7,10 of 352 cfs. Therefore, the July 1999 temperature monitoring was done during a period that is very close to critical stream conditions.

In addition to the instream sampling, a multi-discharger model was used to assist in the reasonable potential analysis. The multi-discharger model for toxics discussed above was modified to account for temperature. The mixing zone was set at fifty percent (50%) of the stream flow to be consistent with current IDEM practice for mixing zones for temperature. The model does not account for heat dissipation so it represents a conservative, dilution only analysis. The effluent and instream data collected in July 1999 and April 2000 as part of the Grand Calumet River TMDL study were used as inputs to the model to determine if the model could predict the measured instream temperatures. The model predicts an increase in temperature downstream of the railroad bridge beginning with ArcelorMittal West Outfalls 009 and 010 and no exceedance at the edge of any mixing zones for both July 1999 and April 2000. The July 1999 TMDL data show a large decrease in temperature (about 7 °F) from Dickey Road to downstream of ArcelorMittal West Outfalls 009 and 010 in the upper one-half depth of the temperature stratified river with an even larger decrease in the lower one-half depth. There was essentially no further decrease in temperature in the Indiana Harbor during the sampling. The April 2000 TMDL data show a small decrease (about 0.5 °F) from Dickey Road to downstream of Outfalls 009 and 010. However, the temperature did decrease to a larger extent in the Indiana Harbor (about 4 °F). The multi-discharger model is therefore a conservative means of determining the impact of the thermal discharges.

A Q7,10 flow of 352 cfs, long-term average effluent flows, except as noted below, and background temperatures from fixed station IHC-3S were used in the multi-discharger thermal model as were used in the multi-discharger toxics model. The critical peak temperature months of June through September were included as one period since the same maximum criterion of 90 °F applies each month. The effluent temperature input to the model for ArcelorMittal Indiana Harbor Long Carbon and ArcelorMittal East was set equal to the maximum temperature reported

for the month during the period January 1998 through December 2010 if it was considered representative data. The effluent temperature for ArcelorMittal Indiana Harbor – Central WWTP and ArcelorMittal West was set equal to the July 1999 TMDL data for the June through September period and the greater of the 2009 permit renewal application data or the April 2000 TMDL data for the other months since the permit renewal application data were reported as winter values. The effluent flow for ArcelorMittal West Outfall 009 for the June through September period was set equal to the daily maximum flow due to this outfall having the highest effluent temperature and a significant increase in discharge flow during this period. The results of the conservative, dilution only modeling show that the discharge from ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 does not have a reasonable potential to cause or contribute to an excursion of the water quality criterion for temperature in the Indiana Harbor Canal or Indiana Harbor from January through December. Based on the results of the instream sampling and multi-discharger thermal model, the discharge from ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 does not have a reasonable potential to exceed a water quality criterion for temperature. Under 5-2-11.5(e), the commissioner may require monitoring for a pollutant even if it is determined that a WQBEL is not required based on a reasonable potential determination. Monitoring for temperature and thermal discharge was added in the renewal permit.

Antidegradation

New regulations in Indiana governing implementation of antidegradation for discharges to waters within the Great Lakes system became effective in 1997. The regulations were developed in accordance with the Water Quality Guidance for the Great Lakes System at 40 CFR Part 132. The regulations included an antidegradation policy (327 IAC 2-1.5-4), antidegradation implementation procedures for High Quality Waters that are not Outstanding State Resource Waters (OSRWs) (327 IAC 5-2-11.3(b)) and antidegradation implementation procedures for OSRWs (5-2-11.7). The implementation procedures for High Quality Waters and OSRWs distinguish between pollutants that are bioaccumulative chemicals of concern (BCCs) and pollutants that are not BCCs. For waters that are not considered High Quality Waters, the regulations do not allow a lowering of water quality (5-2-11.3(a)).

The Indiana portion of the open waters of Lake Michigan is designated in 2-1.5-19(b)(2) as an OSRW. The antidegradation implementation procedures for OSRWs include provisions for discharges to tributaries of OSRWs in 5-2-11.7(a)(2). Since the Indiana Harbor Canal is a tributary to Lake Michigan, the discharge from ArcelorMittal Indiana Harbor – Central WWTP Outfall 001 is subject to the antidegradation implementation procedures in 5-2-11.7(a)(2) in addition to those in 5-2-11.3. The procedures in 5-2-11.7(a)(2) are supplemented by Non-Rule Policy Document Water-002-NRD, "Antidegradation Requirements for Outstanding State Resource Waters Inside the Great Lakes Basin."

The Indiana Harbor Canal is considered a High Quality Water for all of the pollutants limited in the ArcelorMittal Indiana Harbor – Central WWTP permit except Oil and Grease since it is included on the 2010 303(d) List for this parameter. The Indiana Harbor is considered a High Quality Water for all of the pollutants limited in the ArcelorMittal permit except Mercury since it is included on the 2010 303(d) List for Mercury in fish tissue. Lake Michigan is considered a

High Quality Water for all of the pollutants limited in the ArcelorMittal permit except Mercury since it is included on the 2010 303(d) List for Mercury in fish tissue. Mercury is the only pollutant of concern in the ArcelorMittal permit that is a BCC.

After the effluent limitations were established for the proposed permit, a review was done to determine if the permit satisfies the antidegradation requirements in 5-2-11.3 and 5-2-11.7. The Indiana Harbor Canal is not a High Quality Water for Oil and Grease, so discharges of Oil and Grease from ArcelorMittal Outfall 001 are not allowed to cause a lowering of water quality in accordance with 5-2-11.3(a). The Indiana Harbor Canal is a High Quality Water for the other pollutants of concern in the ArcelorMittal permit so in accordance with 5-2-11.3(b), for High Quality Waters that are not designated as an OSRW, no action resulting in a significant lowering of water quality can occur unless an antidegradation demonstration has been completed and approved. Since the Indiana Harbor Canal is a tributary of an OSRW, in accordance with 5-2-11.7(a)(2)(B), the discharges shall not cause a significant lowering of water quality in the OSRW. If a discharge to a tributary of an OSRW causes a significant lowering of water quality in the OSRW, it would not be allowed, regardless of an approvable antidegradation demonstration under 5-2-11.3.

According to 5-2-11.3(b)(1)(A), a significant lowering of water quality occurs if there is a new or increased loading of a BCC from a point source for which a new permit or permit modification would be required. According to 5-2-11.3(b)(1)(B), a significant lowering of water quality occurs if there is a new or increased permit limit for a non-BCC from a point source and the new or increased permit limit will result in both of the following:

- (i) A calculated increase in the concentration of the substance outside of the mixing zone, and;
- (ii) A lowering of water quality that is greater than a de minimis lowering of water quality.

According to 5-2-11.7(a)(2), for a new or increased discharge of a pollutant or pollutant parameter from a new or existing Great Lakes discharger into a tributary of an OSRW for which a new or increased permit limit would be required, the following apply:

- (1) 327 IAC 5-2-11.3(a) and 327 IAC 5-2-11.3(b) apply to the new or increased discharge; and
- (2) the discharge shall not cause a significant lowering of water quality in the OSRW.

According to nonrule policy document Water-002-NPD, a new or increased discharge into a tributary of Lake Michigan will not cause a significant lowering of water quality in Lake Michigan if any of several provisions are met, including the following:

The new or increased discharge into a tributary of Lake Michigan does not cause a significant lowering of water quality in the tributary, as determined under 327 IAC 5-2-11.3(b)(1)(A) or 327 IAC 5-2-11.3(b)(1)(B).

In addition to the antidegradation provisions in 5-2-11.3(b)(1)(A) and 5-2-11.3(b)(1)(B), exemptions and exceptions to antidegradation apply in 5-2-11.3(b)(1)(C). For example, in accordance with 5-2-11.3(b)(1)(C)(ii), the following does not constitute a significant lowering of water quality:

New limits for an existing permitted discharger that are not a result of changes in pollutant loading, and will not allow an increase in pollutant loading, including new limits that are a result of the following:

- (AA) New or improved monitoring data.
- (BB) New or improved analytical methods.
- (CC) New or modified water quality criteria or values.
- (DD) New or modified effluent limitations guidelines, pretreatment standards, or control requirements for POTWs.

Similarly, in addition to the antidegradation implementation provisions in 5-2-11.7(a)(2)(A) and 5-2-11.7(a)(2)(B), exemptions and exceptions apply in 5-2-11.7(a)(2)(C). For example, in accordance with 5-2-11.7(a)(2)(C)(i), the requirements of 5-2-11.7(a)(2) will be considered to have been met when one or more of the items listed in 5-2-11.3(b)(1)(C)(ii) apply.

The antidegradation procedures used in this review apply to point source discharges. The definition of "point source" in 5-1.5-40 applies to the discharge of a pollutant and the definition of "discharge of a pollutant" in 5-1.5-11 includes discharges through pipes that do not lead to treatment works. Therefore, the antidegradation procedures are applied to final outfalls and to internal outfalls that do not lead to treatment works. Internal Outfall 101 does not pass through a treatment system prior to discharge through Outfall 001 and was considered a point source discharge subject to the antidegradation implementation procedures.

Table 5 was developed to compare the existing effective limitations to the proposed limitations for each outfall. As noted above, the Indiana Harbor Canal is not a High Quality Water for Oil and Grease, so discharges of Oil and Grease from ArcelorMittal Outfall 001 are not allowed to cause a lowering of water quality in accordance with 5-2-11.3(a). In addition, if the permit authorizes a new or increased loading of a BCC (Mercury) or new or increased limits for non-BCCs, further analysis was required to determine if the discharge would cause a significant lowering of water quality under 5-2-11.3. If the permit authorizes a new or increased discharge of a pollutant into a tributary of an OSRW for which a new or increased permit limit would be required, further analysis was also required to determine if the discharge would cause a significant lowering of water quality in the OSRW under 5-2-11.7(a)(2)(B). The footnotes at the end of Table 5 provide an explanation of the antidegradation analysis. The following is a summary of the results of the antidegradation review in Table 5.

The Indiana Harbor Canal is not a High Quality Water for Oil and Grease, so antidegradation for the discharge of Oil and Grease was implemented under 327 IAC 5-2-11.3(a). This provision does not allow a lowering of water quality for Oil and Grease that prevents the attainment of the water quality criterion. Indiana does not currently have a numeric water quality criterion for Oil and Grease that applies to the Indiana Harbor Canal. When NPDES permit number IN0000205

was last renewed in 1986, a numeric water quality criterion for Total Oils of 10 mg/l applied to the Indiana Harbor Canal. This criterion was not retained when the water quality standards applicable to the Indiana Harbor Canal were revised in 1990 and a water quality criterion for Oil and Grease was not included in the 1997 Great Lakes system rulemaking. The narrative water quality criteria that apply to the Indiana Harbor Canal do establish a water quality condition at 2-1.5-8(b)(1)(C) of being free from oil or other substances that produce a visible oil sheen in such degree as to create a nuisance. IDEM has used an Oil and Grease concentration of 10 mg/l to interpret this narrative criterion and has applied monthly average limits of 10 mg/l and daily maximum limits of 15 mg/l to final outfalls to ensure that the criterion is met. A new monthly average TBEL for Oil and Grease is required at Internal Outfall 101. The monthly average TBEL was authorized under the current permit, but was not applied. The Fact Sheet of the 1986 permit includes the calculation of monthly average and daily maximum TBELs for Oil and Grease. The TBELs were a combination of the mass allowed for the Iron and Steel Manufacturing Point Source Category under 40 CFR Part 420 and for the Metal Finishing Point Source Category under 40 CFR Part 433. All of the daily maximum allowance under 40 CFR Part 420 was moved to another outfall so the current daily maximum limit of 1250 lbs/day is based solely on the allowance under 40 CFR Part 433. The monthly average allowance under 40 CFR Part 433 was 625 lbs/day. However, a monthly average limit was not included in the permit. The monthly average TBEL for Oil and Grease calculated for the renewal permit is also 625 lbs/day. The monthly average TBEL was lowered to 542 lbs/day and the daily maximum TBEL was lowered to 813 lbs/day to ensure that the discharge from Internal Outfall 101 does not result in a monthly average Oil and Grease concentration of greater than 10 mg/l and daily maximum of greater than 15 mg/l at final Outfall 001 to meet the narrative criterion. In addition, a monthly average limit of 10 mg/l and a daily maximum limit of 15 mg/l were added to Outfall 001. These limits will ensure that the new monthly average limit at Internal Outfall 101 does not result in a lowering of water quality for Oil and Grease in the Indiana Harbor Canal and antidegradation under 327 IAC 5-2-11.3(a) is satisfied. The new monthly average TBEL at Internal Outfall 101 and the new monthly average and daily maximum limits at Outfall 001 do not allow an increase above what was authorized, but not applied in the current permit. The new monthly average TBEL is a new application of Federal Effluent Limitations Guidelines and the new monthly average and daily maximum limits at Outfall 001 result from the new TBEL so these limits fall under the antidegradation exemption in 5-2-1.3(b)(1)(C)(ii)(DD). This exemption applies to 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.

New limits for Mercury are required at Outfall 001 based on a reasonable potential analysis using data collected in 1999. Since the previous permit under which Outfall 001 was regulated was last renewed in 1986, more stringent water quality criteria for Mercury have become effective and a new analytical method has become available that allows Mercury in the discharge to be quantified. The new limits for Mercury are a result of the following items in the antidegradation exemption in 5-2-11.3(b)(1)(C)(ii):

- (AA) New or improved monitoring data.
- (BB) New or improved analytical methods.
- (CC) New or modified water quality criteria or values.

The new limits for Mercury are not a result of changes in pollutant loading and will not allow an increase in pollutant loading since the projected effluent quality is greater than the proposed effluent limits and the existing discharge flow was used to calculate the proposed mass limits. Therefore, the new limits for Mercury do not cause a significant lowering of water quality for Mercury and antidegradation under 5-2-11.3(b) is satisfied. Since this same exemption applies to 5-2-11.7(a)(2), the new limits for Mercury do not cause a significant lowering of water quality in the OSRW.

New mass-based and concentration-based WQBELs for Copper and Silver are required at Outfall 001 due to a reasonable potential analysis under 5-2-11.5(a) in which the mass-based WQBELs at Outfall 001 for these parameters were found to be more stringent than the mass-based TBELs at Internal Outfall 101. The reasonable potential analysis was conducted as a result of the new application of TBELs for these parameters at Internal Outfall 101. The TBELs were authorized under the current permit, but were not applied. A lower regulated wastestream flow (1.73 mgd) was used to calculate the TBELs for the proposed permit than would have been used in the current permit (2.88 mgd listed in Fact Sheet of 1986 permit), so the new limits do not allow an increase above what was authorized, but not applied in the current permit. The mass-based WQBELs at Outfall 001 are more stringent than the TBELs so they do not allow an increase above the TBELs. The new TBELs are a new application of Federal Effluent Limitations Guidelines and fall under the antidegradation exemption in 5-2-11.3(b)(1)(C)(ii)(DD) so they do not cause a significant lowering of water quality and antidegradation under 5-2-11.3(b) is satisfied. This exemption also applies to 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW. Since the WQBELs at Outfall 001 are more stringent than the TBELs at Internal Outfall 101, a report only requirement is included at Internal Outfall 101 instead of actual TBELs.

New mass-based and concentration-based WQBELs for Lead and Zinc are required due to a reasonable potential analysis under 5-2-11.5(a) in which the mass-based WQBELs at Outfall 001 for these parameters were found to be more stringent than the mass-based TBELs at Internal Outfall 101. The mass-based TBELs at Internal Outfall 101 in the current permit are less stringent than the mass-based WQBELs at Outfall 001 in the proposed permit and the mass-based WQBELs were calculated using water quality criteria that became effective in 1997 after the permit was last renewed. The new WQBELs fall under the antidegradation exemption in 5-2-11.3(b)(1)(C)(ii)(CC) so they do not cause a significant lowering of water quality and antidegradation under 5-2-11.3(b) is satisfied. This exemption also applies to 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW. Since the WQBELs at Outfall 001 are more stringent than the TBELs at Internal Outfall 101, a report only requirement is included at Internal Outfall 101 instead of actual TBELs.

New mass limits for Total Residual Chlorine are required at Outfall 001. The current permit only has concentration limits at this outfall for this parameter and they are less stringent than the proposed concentration limits. The existing effluent flow was used to calculate the WQBELs for the proposed permit so the new mass limits will not result in a calculated concentration increase outside of the mixing zone under 5-2-11.3(b)(1)(B)(i). Therefore, the new mass limits will not cause a significant lowering of water quality and antidegradation under 5-2-11.3(b) is satisfied. Since the new limits do not cause a significant lowering of water quality under

5-2-11.3(b)(1)(B), they do not cause a significant lowering of water quality in the OSRW in accordance with Non-Rule Policy Document Water-002-NRD.

New TBELs for Cadmium, Nickel and Total Toxic Organics (TTO) are required at Internal Outfall 101 as a result of the new application of TBELs at this outfall. The TBELs were authorized under the current permit, but were not applied. A lower regulated wastewater flow (1.73 mgd) was used to calculate the TBELs for the proposed permit than would have been used in the current permit (2.88 mgd), so the new limits do not allow an increase above what was authorized, but not applied in the current permit. A monitoring waiver per 40 CFR 122.44 has been granted for Cadmium for the term of this permit and the facility is required to notify IDEM if any changes occur at the facility that would require the conditions that the waiver was granted to be reviewed. The need for water quality-based effluent limitations at Outfall 001 and antidegradation requirements would be reviewed at that time. The new TBELs are a new application of Federal Effluent Limitations Guidelines and fall under the antidegradation exemption in 5-2-11.3(b)(1)(C)(ii)(DD) so they do not cause a significant lowering of water quality and antidegradation under 5-2-11.3(b) is satisfied. This exemption also applies to 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.

New TBELs for Naphthalene and Tetrachloroethylene are required at Internal Outfall 101 as a result of the new application of TBELs at this outfall. The TBELs were authorized under the current permit, but were not applied. The Fact Sheet of the 1986 permit includes the calculation of daily maximum TBELs of 1.65 lbs/day for Naphthalene and 2.48 lbs/day for Tetrachloroethylene, so the new limits do not allow an increase above what was authorized, but not applied in the current permit. The new TBELs are a new application of Federal Effluent Limitations Guidelines and fall under the antidegradation exemption in 5-2-11.3(b)(1)(C)(ii)(DD) so they do not cause a significant lowering of water quality and antidegradation under 5-2-11.3(b) is satisfied. This exemption also applies to 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.

A complete antidegradation review of the proposed ArcelorMittal permit is included in Table 5. Based on the antidegradation review, the Department has determined that the proposed permit complies with the antidegradation policy found in 2-1.5-4 and an antidegradation demonstration is not required.

The permittee is prohibited from undertaking any deliberate action that would result in a new or increased discharge of a BCC or a new or increased permit limit for a pollutant or pollutant parameter that is not a BCC unless one (1) of the following is completed prior to the commencement of the action; (i) Information is submitted to the commissioner demonstrating that the proposed new or increased discharge will not cause a significant lowering of water quality; (ii) An antidegradation demonstration submitted and approved in accordance with 5-2-11.3.

TABLE 2 REASONABLE POTENTIAL TO EXCEED

ARCELORMITTAL INDIANA HARBOR
CENTRAL WASTEWATER TREATMENT PLANT
OUTFALL 001 (6.5 mgd)

PARAMETER	MONTHLY AVERAGE				DAILY MAXIMUM				PEL		PEQ > PEL	
	Maximum Effluent Value	Count	C.V.	M.F.	PEQ	Maximum Effluent Value	Count	C.V.	M.F.	PEQ	Monthly Average	Daily Maximum
Cadmium (ug/l) *	1	60	0.0	1.0	1	1	258	0.0	1.0	1	No	No
Lead (ug/l) **					11	3	2	0.6	3.8	11	No	No
Mercury (ng/l) #					8.6	1.39	1	0.6	6.2	8.6	Yes	Yes
Zinc (ug/l) **					100	27	2	0.6	3.8	100	No	No
Chloride (mg/l) \$					310	81	2	0.6	3.8	310	No	No
Fluoride (mg/l) \$					2.9	0.95	3	0.6	3.0	2.9	No	No
Sulfate (mg/l) \$					260	86.4	3	0.6	3.0	260	No	No
Ammonia-N (mg/l) ** :												
Summer %, !					0.27	0.07	2	0.6	3.8	0.27	No	No
Winter %, !					0.27	0.07	2	0.6	3.8	0.27	No	No

* Effluent data were obtained from MMRs for the period July 2005 through June 2010.

** Effluent data were obtained from the July 1999 TMDL study and from the June 2009 Form 2C.

Effluent data were obtained from the July 1999 TMDL study.

\$ Effluent data were obtained from the July 1999 and April 2000 TMDL studies and, except for chloride, from the June 2009 Form 2C.

% Summer months are July through September, and winter months are October through June.

! Seasonal PEQs were not developed since less than one year of data are available.

@ Monthly average PELs were calculated based on the applicable sampling frequency in a month.

7/11/2011

TABLE 3 REASONABLE POTENTIAL TO EXCEED FOR WHOLE EFFLUENT TOXICITY
ARCELORMITTAL INDIANA HARBOR
CENTRAL WASTEWATER TREATMENT PLANT

Outfall 001*

Parameter	Maximum Effluent Value	Count	C.V.	M.F.	PEQ	WLA	PEQ>WLA	WQBEL	
								Monthly Average	Daily Maximum
Acute WET (TUa)	<1.0	32	0.0	1.0	<1.0	1.0	NO	--	Not Required
Chronic WET (TUc)	4.0	32	0.5	1.2	4.8	9.8	NO	Not Required	--

* Data Sources:

001 - May 1992 through January 2011 data collected in accordance with the June 1990 permit modification.
The data were collected following the completion of a toxicity reduction evaluation in February 1992.

7/11/2011

TABLE 4
WATER QUALITY-BASED EFFLUENT LIMITATIONS
FOR ARCELORMITTAL INDIANA HARBOR
CENTRAL WASTEWATER TREATMENT PLANT

Parameter	Quantity or Loading			Quality or Concentration		
	Monthly Average	Daily Maximum	Units	Monthly Average @	Daily Maximum	Units
Outfall 001 (6.5 mgd)						
Cadmium	0.54	1.1	lbs/day	10	20	ug/l
Total Chromium	65	140	lbs/day	1,200	2,500	ug/l
Copper	1.6	2.8	lbs/day	30	52	ug/l
Lead	5.0	9.8	lbs/day	92	180	ug/l
Mercury	0.000071	0.00017	lbs/day	1.3	3.2	ng/l
Nickel	48	81	lbs/day	880	1,500	ug/l
Silver	0.023	0.040	lbs/day	0.42	0.73	ug/l
Zinc	11	22	lbs/day	210	410	ug/l
Naphthalene	12	22	lbs/day	230	400	ug/l
Tetrachloroethylene	30	52	lbs/day	550	960	ug/l
Total Residual Chlorine	0.87	2.1	lbs/day	16	38	ug/l
Whole Effluent Toxicity (WET)						
Acute #					1.0	TUa
Chronic &				9.8		TUc

@ Monthly average WQBELs were calculated based on the applicable sampling frequency in a month.

This value is the Toxicity Reduction Evaluation (TRE) trigger for acute WET testing.

& This value is the Toxicity Reduction Evaluation (TRE) trigger for chronic WET testing.

7/11/2011

TABLE 5
ANTIDEGRADATION
FOR ARCELORMITTAL INDIANA HARBOR - CENTRAL WASTEWATER TREATMENT PLANT

Parameter	Existing Permit Limits		Proposed Permit Limits		New or Increased Permit Limit for a Non-BCC or New or Increased Loading of a BCC?		Concentration (ug/l) Monthly Average Daily Maximum
	Loading (lbs/day) Monthly Average	Daily Maximum	Concentration (ug/l) Monthly Average Daily Maximum	Loading (lbs/day) Monthly Average Daily Maximum	Concentration (ug/l) Monthly Average Daily Maximum	Loading (lbs/day) Monthly Average Daily Maximum	
Outfall 001 (6.5 mgd)							
Total Suspended Solids	--	--	Report	Report	Report	Report	New (5) New (5)
Oil & Grease	--	--	Report	Report	10,000	15,000	
Cadmium	--	--	--	--	--	--	
Copper	--	--	1.6	2.8	30	52	New (1) New (1)
Lead	--	--	5.0	9.8	92	180	New (2) New (2)
Mercury	--	--	0.000071	0.00017	0.0013	0.0032	New (3) New (3)
Silver	--	--	0.023	0.040	0.42	0.73	New (1) New (1)
Zinc	--	--	11	22	210	410	New (2) New (2)
Fluoride	--	--	Report	Report	Report	Report	
Free Cyanide	--	--	Report	Report	Report	Report	
Total Residual Oxidants	--	--	20	50	--	--	
Total Residual Chlorine	--	--	20	40	--	--	
Temperature (°F)	--	--	--	--	16	38	
Thermal Discharge (BTU/Hr.)	--	--	--	--	Report	Report	
pH (s.u.)	--	--	6.0 - 9.5	Report	--	--	No
Internal Outfall 101							
Total Suspended Solids	1,821	3,786	--	--	Report	Report	No
Oil & Grease	--	1,250	--	--	1,198	2,604	No
Cadmium*	--	--	Report	Report	542	813	New (5) No
Total Chromium	41.2	66.9	--	--	3.8	10	New (6) No
Copper	--	--	Report	Report	24.7	40.0	
Iron	--	--	Report	Report	Report	Report	
Lead	10.32	16.57	--	--	Report	Report	
Nickel	--	--	Report	Report	34.3	57.4	New (6) New (6)
Silver	--	--	Report	Report	Report	Report	
Tin	Report	Report	Report	Report	--	--	
Zinc	35.55	62.69	--	--	Report	Report	
Total Cyanide	15.61	28.82	--	--	9.4	17.3	No
Naphthalene	--	--	--	--	Report	Report	
Tetrachloroethylene	--	--	--	--	Report	Report	
Total Toxic Organics	--	--	--	--	Report	Report	
pH (s.u.)	--	--	6.0 - 9.5	--	--	30.7	New (7) New (7)
					--	--	New (6) New (6)

Footnotes:

*A monitoring waiver per 40 CFR 122.44 has been granted for this parameter for the term of this permit.

Significant Lowering of Water Quality?

- (1) New mass-based and concentration-based WQBELs for copper and silver and new mass-based WQBELs for cadmium are required due to a reasonable potential analysis under 327 IAC 5-2-11.5(a) in which the mass-based WQBELs at Outfall 001 for these parameters were found to be more stringent than the mass-based TBELs at Internal Outfall 101. The reasonable potential analysis was conducted as a result of the new application of TBELs at Internal Outfall 101. The mass-based WQBELs are more stringent than the TBELs so they do not allow an increase above the TBELs. The TBELs were authorized under the current permit, but were not applied. A lower flow (1.73 mgd) was used to calculate the TBELs for the proposed permit than would have been used in the current permit (2.88 mgd), so the new limits do not allow an increase above what was authorized, but not applied in the current permit. The new TBELs fall under the antidegradation exemption in 327 IAC 5-2-11.3(b)(1)(C)(ii)(DD) so they do not cause a significant lowering and antidegradation under 327 IAC 5-2-11.3(b) is satisfied. This exemption also applies to 327 IAC 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW. Since the WQBELs at Outfall 001 are more stringent than the TBELs at Internal Outfall 101, a report only requirement is included at internal Outfall 101 instead of actual TBELs.
- (2) New mass-based and concentration-based WQBELs for lead and zinc are required due to a reasonable potential analysis under 327 IAC 5-2-11.5(a) in which the mass-based WQBELs at Outfall 001 for these parameters were found to be more stringent than the mass-based TBELs at Internal Outfall 101. The mass-based TBELs at Internal Outfall 101 in the current permit are less stringent than the mass-based WQBELs at Outfall 001 in the proposed permit and the mass-based WQBELs were calculated using water quality criteria that became effective in 1997 after the permit was last renewed. The new WQBELs fall under the antidegradation exemption in 327 IAC 5-2-11.3(b)(1)(C)(ii)(CC) so they do not cause a significant lowering and antidegradation under 327 IAC 5-2-11.3(b) is satisfied. This exemption also applies to 327 IAC 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW. Since the WQBELs at Outfall 001 are more stringent than the TBELs at Internal Outfall 101, a report only requirement is included at internal Outfall 101 instead of actual TBELs.
- (3) The new limits for mercury are based on a reasonable potential analysis using effluent monitoring data. The new limits fall under the antidegradation exemption in 327 IAC 5-2-11.3(b)(1)(C)(ii) so they do not cause a significant lowering of water quality and antidegradation under 327 IAC 5-2-11.3(b) is satisfied. This exemption also applies to 327 IAC 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.
- (4) The current permit has a concentration limit for this parameter that is less stringent than a WQBEL in the proposed permit. The existing effluent flow was used to calculate the WQBELs for the proposed permit so the new limit will not result in a calculated concentration increase outside of the mixing zone under 327 IAC 5-2-11.3(b)(1)(B)(i) and antidegradation under 327 IAC 5-2-11.3(b) is satisfied. Since the new limit does not cause a significant lowering under 327 IAC 5-2-11.3(b)(1)(B), it does not cause a significant lowering in the OSRW in accordance with Non-Rule Policy Document Water-002-NPD.
- (5) A new monthly average TBEL for oil and grease is being applied in the proposed permit. The TBEL was authorized under the current permit, but was not applied. The Fact Sheet of the 1986 permit includes the calculation of a monthly average TBEL of 625 lbs/day for oil and grease based on the Metal Finishing Guideline at 40 CFR Part 433, so the new limit does not allow an increase above what was authorized, but not applied in the current permit. The monthly average TBEL was lowered to 542 lbs/day and the daily maximum TBEL was lowered to 813 lbs/day to ensure that the discharge from Internal Outfall 101 does not result in a monthly average oil and grease concentration of greater than 10 mg/l and daily maximum of greater than 15 mg/l at final Outfall 001 to meet the narrative criterion. In addition, a monthly average limit of 10 mg/l and a daily maximum limit of 15 mg/l were added to Outfall 001. These limits will ensure that the new monthly average limit at Internal Outfall 101 does not result in a lowering of water quality for oil and grease in the Indiana Harbor Canal and antidegradation under 327 IAC 5-2-11.3(a) is satisfied. The new monthly average TBEL at Internal Outfall 101 and the new monthly average and daily maximum limits at Outfall 001 do not allow an increase above what was authorized, but not applied in the current permit. These new limits fall under the antidegradation exemption in 327 IAC 5-2-11.3(b)(1)(C)(ii)(DD). This exemption applies to 327 IAC 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.
- (6) New TBELs for cadmium, nickel and total toxic organics are being applied in the proposed permit. The TBELs were authorized under the current permit, but were not applied. A lower flow (1.73 mgd) was used to calculate the TBELs for the proposed permit than would have been used in the current permit (2.88 mgd), so the new limits do not allow an increase above what was authorized, but not applied in the current permit. A monitoring waiver per 40 CFR 122.44 has been granted for cadmium for the term of this permit and the facility is required to notify IDEM if any changes occur at the facility that would require the conditions that the waiver was granted to be reviewed. The need for water quality-based effluent limitations at Outfall 001 and antidegradation requirements would be reviewed at that time. The new TBELs fall under the antidegradation exemption in 327 IAC 5-2-11.3(b)(1)(C)(ii)(DD) so they do not cause a significant lowering of water quality and antidegradation under 327 IAC 5-2-11.3(b) is satisfied. This exemption also applies to 327 IAC 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.
- (7) New TBELs for naphthalene and tetrachloroethylene are being applied in the proposed permit. The TBELs were authorized under the current permit, but were not applied. The Fact Sheet of the 1986 permit includes the calculation of daily maximum TBELs of 1.65 lbs/day for naphthalene and 2.48 lbs/day for tetrachloroethylene, so the new limits do not allow an increase above what was authorized, but not applied in the current permit. The new TBELs fall under the antidegradation exemption in 327 IAC 5-2-11.3(b)(1)(C)(ii)(DD) so they do not cause a significant lowering of water quality and antidegradation under 327 IAC 5-2-11.3(b) is satisfied. This exemption also applies to 327 IAC 5-2-11.7(a)(2) so the new limits do not cause a significant lowering of water quality in the OSRW.

